

**THE U.S. CONGRESSIONAL REFORM SUBCOMMITTEE ON  
FEDERALISM and the CENSUS**

**FIELD HEARING ON “MONITORING OUR NATION’S PULSE”**

**SPRINGFIELD, MISSOURI  
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**TESTIMONY BY:**

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Chairman Turner, Congressman Blunt,

I am honored by your interest in my opinions on a subject that I believe is key to the future of our country: re-establishing the economic and social viability of central cities, and the adequacy of federal, state, and local economic incentives in support of that effort. I have devoted the last eight years of my career to the task of revitalizing downtown Memphis because I am convinced my community – like communities across the nation – cannot afford the cost of unbridled urban sprawl.

I am president of the Memphis Center City Commission, a public/private partnership charged with the responsibility of coordinating the redevelopment of downtown Memphis. As we define it, downtown is a 6.5 square-mile area hard up

against the banks and bluffs of the mighty Mississippi River. It is an area that includes a traditional business district core and mixed-use neighborhoods adjacent to it. Within downtown's boundaries we have more than \$3 billion in projects underway. Of that total, privately developed projects account for the lion's share -- about \$2.5 billion.

Numbers tell the story. There are approximately 27,000 residents in downtown Memphis, and downtown is far and away the fastest growing residential neighborhood within the city.

We have close to 70,000 people working downtown – a workforce anchored by the presence of several major institutional and corporate employers that are currently expanding their employee base.

Downtown has become the sports, entertainment and cultural center of its region with millions of people visiting AutoZone Park, a \$75 million, 14,000-seat Triple-A baseball park, Peabody Place, an 8 square-block mixed-use development with flashy retail, entertainment and hospitality components, Beale Street, by sales tax receipts the state's #1 tourist attraction, and FedEx Forum, the \$250 million,

18,000-seat home to the Memphis Grizzlies NBA team and the nationally ranked University of Memphis men's basketball team.

Add to this the nearly perfect new 2,100-seat Cannon Center for the Performing Arts, home to the Memphis Symphony, the moving National Civil Rights Museum, the Orpheum Theater, the Broadway touring capital of the South, and a fun, vibrant South Main Arts District.

All of this not to mention the crown jewel of downtown— our magnificent riverfront which itself is the midst of an exciting long-range enhancement plan. A plan that we hope will include the project recently announced by Springfield's own, Bass Pro, to create a destination mega store and outdoor experience in the Pyramid, formerly a 22,000-seat public sports and concert arena on the banks of the river.

But, there is an even bigger story in the revitalization of downtown Memphis. While Bass Pro and ballparks and new condos by the basketful surely signal the reversal of downtown's fortunes, I believe the real legacy will be in our city's decision to tackle the poverty-stricken, rundown neighborhoods that lay adjacent to downtown's core. And by replacing stereotypical public housing with low-rise,

mixed-income housing, we are not just changing the face of another downtown neighborhood; we are changing people's lives!

A case in point-- and a poster child for federal economic development funding -- is the Uptown Project in the neighborhoods just north of downtown's core. Fueled by a \$37 million federal Hope VI grant, the City and private developers have replaced two old dead-end public housing projects with low-rise, mixed-income apartments, and new single-family homes built on hundreds of vacant lots in the area. The beauty of it is, it is working. We literally have doctors and lawyers living next door to residents who were formerly in public housing.

Based on the success of Uptown, and after having recently won additional Hope VI grant funding, the City, through the Memphis Housing Authority, has started two similar projects in other neighborhoods within downtown's ring. And we now believe, subject to the federal funding that makes these projects possible, that Memphis can be free of public housing projects within the next five years.

So far, I am proud of the downtown Memphis redevelopment story, but I must give credit where credit is due: virtually none of it would have happened without the financial assistance of local, state, and federal programs. Inner city development is

costly, and time and again public incentives have spelled the difference between projects happening and not happening.

The footprints of federal economic development assistance programs are all over the downtown Memphis renaissance. Strategic use of federal historic tax credits, CDBG's Section 108 loan program, BEDI grants, Renewal Community Tax Credits, New Market Tax Credits, Federal Transportation grants and matching funds, outright Congressional appropriations, etc. have been essential to the redevelopment of downtown Memphis. Block-by-block, revitalization has been dependent on good planning, visionary, risk-taking private developers – and a full tool box of public incentives.

Yes, every government program is attached to reams of red tape, and true, the federal bureaucracy can be painfully slow and confusing. But, as downtown Memphis, downtown Springfield, downtown Dayton and downtowns across America are coming back, my concern is not so much with the complexities of the programs, as it is with the continued availability (and predictability) of federal economic development support in the future.

I understand and am sympathetic to the budgetary implications of wars and hurricanes, but I am also keenly aware of the consequences of failing to rebuild our inner cities. We've made a good start in Memphis, but we've only completed about 40% of the job.

Thank you as members of Congress for all that you've contributed in support of central city revitalization. But keep in mind; we still have a long way to go to reverse decades of neglect. Please continue to make the remaking of our town centers a federal economic development priority.

Thank you very much.